

of consolidation with the Mutual Telephone Company. He would first call upon the Secretary to read the minutes of the previous meeting.

Minutes read and approved.

The Chairman proceeded to state that the conditions of amalgamation submitted by the other Company had been rejected, and he called upon the Secretary to read the letter received from the Director of the Mutual Company.

The Secretary read the following letter:

Honolulu, April 7, 1884.
S. P. ADAMS, Esq., President of the Hawaiian Bell Telephone.

DEAR SIR.—At a meeting of the Stockholders of the Mutual Telephone Company held on the 3rd day of April, which was called to vote upon acceptance of the preliminary terms of agreement in regard to amalgamation, it was moved and carried that clause 4 of said agreement be altered to read as follows:

"The charges now made by the Hawaiian Bell Telephone Co. for the use of telephones shall not be increased for ten years," except by a unanimous vote of the shareholders.

With the request that you place the above proposed change before a meeting of the shareholders.

I remain, yours truly,

A. JAEGER.

Secretary, Mutual Telephone Co.

Mr. W. O. Smith said that the proposition that had been submitted to the Mutual Telephone Co. might have had some modification, but that the present rates should be made binding for ten years was very unreasonable.

It was a long period. Again, when they considered that one man might, by the terms submitted, hurt all the rest of the shareholders, it was still more unreasonable. They all recognized the advantage of the two companies being consolidated. It was the disposition of this Company to go as far as it could for the mutual benefit of both companies. It was unreasonable to suppose that the Mutual Telephone Co. did not, as had been stated, go into the business to make money, but solely to maintain cheap rates.

It was not the object of this Company to be extortive or oppressive. The present rates seemed to be as low as could be placed with safety for the present. The gentlemen who carried on the Company for quite a time were the prime movers in the Mutual Co. So far no money had been distributed as dividends. They did not want to increase the rates unreasonably, but they must have the rates such that the Company would pay. A great deal of money had been absorbed in adding to the stock, and the value of it now was in the neighborhood of \$60,000.

The other Company have a little stock and a building lot.

Mr. Cecil Brown.—Yes; but it is in Mr. Cartwright's name.

Mr. Smith continued: After overcoming all the difficulties that had presented themselves it was not reasonable that this Company should submit to the proposition of the Mutual Co. For the sake of harmony the Hawaiian Bell Telephone Company had made great concessions in the propositions they had made, and could not now concede more. In ten years they might all be in their graves. It was unreasonable to think that one man, by his poor judgment, should upset the councils of the rest of the shareholders and to say that he cannot consent to any modification being made. If they (the Mutual Tel. Co.) wished to go on with the execution of their line, why, let them do so. It was their (the Haw. Bell Tel. Co.) policy to be as accommodating as possible to their subscribers and maintain efficient service. The Mutual Co. are asking for that which is unreasonable, and furthermore this Company had made all the concessions, and more than their best judgment sanctioned. He would propose that the Secretary be instructed to reply that they cannot modify the proposal heretofore made.

Mr. J. F. Brown said that the proposition made by Mr. Davies was refused in such a spirit as to show that they did not want anything to do with this company.

The Chairman was of opinion that one or two particulars had not been taken into consideration. If the Treaty went under, and it was by no means secured, they would assuredly lose one half of their private subscribers. They had now 150. One man with one share to defray the bill of 999 was conjured. He thought the proposition of Mr. Davies was reasonable.

Mr. Cecil Brown then made the following proposition:

"It is hereby resolved that the Hawaiian Bell Telephone Company, through the Secretary, notify the Mutual Telephone Co. that it cannot accede to nor accept the proposals submitted by communication dated April 7th, 1884, and further to notify the Mutual Telephone Company that the Hawaiian Bell Telephone Co. withdraws its proposition of April 2d, 1884."

The letter was accepted and filed.

Mr. A. J. Cartwright said that preliminary to any business coming before the meeting it would be as well to explain one or two matters. About two months ago, actuated by a desire to serve the interests of all concerned the directors of the Mutual Telephone Company appointed a committee of two to confer with the directors of the Hawaiian Bell Telephone Company in order to see what could be done in the matter of amalgamation. They made no proposals and no demands. The Bell Telephone directors said they would amalgamate and agreed to give the Mutual Co. 25 per cent advance on their stock. That is the history of what took place. He saw by the report in this morning's ADVERTISER something about concessions. This company did not ask for any. All they asked for was cheap telephone rates and that was all they wanted. He referred to Mr. W. O. Smith's remarks made the day previous at the meeting of the Bell Telephone Company. If this was intended to have been a money-making Company, they would naturally have accepted the offer of the old Company and would not have cared how high the rates were raised—as the stockholders they would have participated in the profits, but they did not do so. Another statement had been made by Mr. Cecil Brown about the lot holding in his (Mr. Cartwright's) name. It was put in his name because it was considered better to be in the hands of an individual when assessing values on the widening of the two streets, Alakea and Merchant. He had done so and made the true claims.

The Chairman said: when he read the reports in the newspaper last evening, he had determined to take no notice whatever of the remarks made. If that which appeared in the newspapers was all that had been said about him (Mr. W. O.) he was able to carry it. He had not yet read the article in the ADVERTISER, to which his attention had been drawn just before the opening of the meeting. It stated that we have gone in for making money. You, gentlemen, know what you have gone in for. Another point is the alleged value of the Bell Telephone

to be taken into the fold of the Hawaiian Bell Telephone Co.

Mr. W. O. Smith said that the shares of the company were all owned here now. The majority were held by men in whom they ought to have confidence. The principal stockholder was not a mere speculator and had no desire to oppress other men as they all know. If they break off all negotiations they will have the consciousness of not having been unreasonable and they would have to pursue the even tenor of their course. They were charging reasonable rates, and if the others persist in forming their company, let them do so. The concessions had all been made on the part of this company.

Mr. Cassidy being called upon by the Secretary, said that he had seen their instruments and had got a description of their cables. They are such as had been discarded in the United States long ago, because they were so easily affected by heat and cold. There was no way of stopping the induction. They were very inferior compared with the instruments of the present day. Dr. McKibben had shown him one, and he (Mr. Cassidy) considered it one of the poorest instruments that had been constructed since telephones were in use. Dr. McKibben said he was prejudiced. Two years ago this company had similar cables in use in the tower, but they had been obliged to take them down. The stock of the other company was of no use to this company. (In reply to Mr. Adams he said this company could not use them.) The great question of the day among electricians was the perfection of the cable system. For \$1,500 this company could get all the cable they require from the United States. Everything around the island was in good working order. He explained about the mishap to the Diamond Head line which did not belong to the company. It would take \$250 to repair it. The company owned the line to the point where the road turns off to Waikiki. The only question was who ought to have charge of it. The instrument at Diamond Head was the only one not working.

Mr. Brown's resolution was then put to the meeting and carried unanimously.

At 1:15 p.m. a motion to adjourn was carried.

MEETING OF THE MUTUAL TELEPHONE CO.

A meeting of the Mutual Telephone Co. was held on Thursday, at 10 a. m. in the Armory. There were about thirty-five shareholders present representing 1,980 shares.

The Hon. H. A. Widemann took the chair and called upon the Secretary to read the minutes of the previous meeting. After the confirmation of the minutes, a letter from the Hawaiian Bell Telephone Company was read containing the following resolution that had been passed by that company the day previous:

"It is hereby resolved that the Hawaiian Bell Telephone Company, through the Secretary, notify the Mutual Telephone Co. that it cannot accede to nor accept the proposals submitted by communication dated April 7th, 1884, and further to notify the Mutual Telephone Company that the Hawaiian Bell Telephone Co. withdraws its proposition of April 2d, 1884."

The letter was accepted and filed.

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The Chairman said: when he read the reports in the newspaper last evening, he had determined to take no notice whatever of the remarks made. If that which appeared in the newspapers was all that had been said about him (Mr. W. O.) he was able to carry it. He had not yet read the article in the ADVERTISER, to which his attention had been drawn just before the opening of the meeting.

It stated that we have gone in for making money. You, gentlemen, know what you have gone in for. Another point is the alleged value of the Bell Telephone

Co.'s stock, \$60,000, as stated. Gentlemen, that value is purely imaginative. They say that he (Mr. Widemann) knows all about it. He said he did know a good deal about it, and you, gentlemen, knew the issue. The actual capital paid into the Bell Telephone Co. is \$6,100. Of that amount the shareholders have paid \$4,900. The Bell Telephone Co. in Boston furnished an invoice amounting to \$1,200, for which they received 510 shares paid up. Then came the working operations. The earnings of those \$6,100 had come up to \$33,000 up to his leaving the Company. That does not account for the other \$27,000. They have only put in a few instruments since. Their stock cannot possibly cost \$60,000. He saw no earthly reason why the capital of this Company—\$30,000—should not increase as fast as theirs. Mr. Cassidy is the electrician in the other Company. He (Mr. W.) is not an electrician, but the bulk of the instruments purchased are the same make as those in use by the Hawaiian Bell Telephone Co. He had offered Dr. McKibben the use of an instrument. He let him have one of the new ones. He (Mr. W.) knew that the man who supplied those instruments did so with the object of securing the trade of this Company. The Patterson cables are in use in all the Eastern States. They are hardly two years in existence yet, and have not got as far as San Francisco. The Eastern States are covered with Patterson's cables, and that is what he ordered. Mr. Cassidy had not seen a particle of their property except the instrument that Dr. McKibben had.

Mr. Cartwright then presented the following resolutions:

Resolved.—That the Board of Directors be instructed to give notice to the Minister of the Interior, in conformity with the provisions of the charter, that this Company intends to increase its capital stock to \$50,000 in all.

Resolved.—That the Board of Directors, in due time open subscription lists for the new stock to be issued, and issue the same when scribbled for.

Mr. J. H. Paty seconded.

Before the motion was put to the meeting, the Chairman stated that this money, that is the proposed increase of capital, was not required for telephones. It is required for an entirely outside matter which has forced itself upon them. It was so that they could have a building of their own and reduce their rent by letting part of the premises. He believed the plan was a good one, a sound and a feasible one.

The motion was put to the meeting and carried *en bloc*.

The Chairman added that the earnings were more than about \$33,000 previously mentioned by him. *That sum* was expended in the construction account. The whole earnings covered the running expenses as well.

Mr. Cartwright said it appeared by their success that they had been paying too much for their telephones.

Mr. Dayton moved that the trustees be empowered to proceed with the work as soon as possible.

Mr. H. O. H. Paty seconded the motion.

Carried unanimously.

The meeting adjourned at 11 a. m.

CORRESPONDENCE.

We do not hold ourselves responsible for the statements made, or opinions expressed by our correspondents.

TELEPHONIC.

Mr. Editor:—As there appears to be a good deal of misunderstanding with regard to the position of the negotiations between the two Telephone Companies, I have to beg that you will give space to the following statement of facts:

The negotiations were opened by a conversation on the subject between two stockholders, (one of each company) the Mutual Telephone Company then appointed two gentlemen to act as a committee to see upon what terms amalgamation of the companies could be effected, the result was the submission of the preliminary articles of agreement already published, to the Directors of the H. B. T. C., who accepted them with the alterations which it is here unnecessary to repeat as they have been so recently made public.

The terms on which the H. B. T. Co. offered to consolidate their interests with those of the Mutual Co. were very liberal, when the relative standing of the two companies is taken into consideration, as the following figures will I think demonstrate.

STATEMENT OF AFFAIRS, M. T. CO.

	Amount of disbursements and liabilities of invoices from U. S.	\$ 15,339 70
Premium on Ex.	120 07	
Sundry Expenses.	51 25	
Paid for lot.	5,008 50	
Paid freights and duties.	2,782 46	
Expense of H. A. W. to N. Y.	744 50	
Stamps on Charter.	35 00	
Consular Certificate.	10 00	
Amount due A. Jaeger.	675 00	
Amount due Wilder & Co.	843 75	
Amount due in Chicago.	500 00	
Amount due in San Francisco.	50 00	
Amount due Irwin & Co.	75 00	
Making a total of \$26,289 23; deducting from this the amount of assessments levied, but not collected—\$22,500—will leave the Mutual Company in debt \$3,789 23.		

The H. B. T. Co. has a telephone system which has cost for maintenance and construction at least \$57,000 and cash on hand, say \$2,000, making a total capital of, say, \$60,000. Now the proposition was that the H. B. T. Co. should increase its capital stock to \$80,000; \$30,000 of which should be exchanged for the \$22,500 of the Mutual stock, and that the H. B. T. Co. should assume the liabilities of the Mutual, say \$3,789 23, which, with the bonds on the stock would make a total loss to the H. B. T. Co. and gain to the Mutual Co. of \$11,289 23; and when it is taken into consideration that the greater part of the plant of the Mutual Co. is useless to the H. B. T. Co., that the lot costing \$5,000 50 was sold two years ago for \$2,200, and that the shareholders of the Mutual Co. were exchanging \$7 50 worth of stock in a company that cannot possibly be in working order for some time, for \$10 of stock that is now on a dividend-paying basis, I think that the public must admit that the offer was liberal.

It has been said that the object of starting the Mutual Telephone Company was simply to benefit the public and reduce the price of telephones, which I have no doubt is correct, as I have noticed that nearly all joint stock companies are organized for purely benevolent and philanthropic objects. It is, however, somewhat curious to note that this view of the case did not present itself to the worthy projector of the Mutual Co. when he was President of, and a large stockholder in the Hawaiian Bell Telephone Co.

Governor Knows,

Vice-President H. B. T. Co.

EXCURSION PARTIES FROM THE STATES.

Mr. Editor:—I received a letter by the last mail from a prominent merchant in Boston, who, on behalf of some of his friends who desire to visit these islands, wishes information which can be relied on, as on this information will be based the "picnic" of this and probably of other parties.

Knowing your fund of information on all subjects, and your means of obtaining such, when not in actual possession, from those who "know all about it," induces me to apply to you.

1st. What would the price of board be at the Hotel in Honolulu?

2d. About how many days to see Honolulu, a drive to the Pali, ditto to the Park and Waikiki, where to stop at the Park to obtain lunch, etc.

3d. Price of the tickets to Kahului, to allow a trip to Haleakala, with cost of horses, guides, lunch, etc., thence to Hilo, a day at Hilo, thence to — the best route to the volcano, horses, guides, etc., thence to Kealakekua Bay—to Kawaihae,—thence back to Lahaina, making about a two weeks trip, of course steam connections cannot be made, so please give as detailed an account as you can. Unfortunately these islands are a "terra incognita" to thousands of people who lack just this information to enable them to escape the rigid winters East, and when they know how to come here and the attendant (probable) cost, will do so.

Trusting you will pardon me for trespassing on your valuable space, I remain, Yours, truly,

L.

[In reply to the above questions we beg to furnish the following information, which has been kindly placed at our disposal by Mr. Fred Bagot, who has recently traveled over the whole group in the interests of McKenney's Hawaiian Directory. The figures given will be found generally reliable.—E. P. C. A.]

Round trip tickets are generally purchased by visitors to the Islands from San Francisco to Honolulu and return, for \$125 (a reduction of \$25). What is called "doing the Islands" in the manner above described, should not take longer than the time of the arrival of one steamer and the departure of the next—three weeks, besides two weeks at sea. The best accommodations in Honolulu cost \$3.00 per day. The average expense during a tour of the Islands is about \$3.50 per day, besides carriage and horse hire, and steamer fare. A great deal depends upon the number of a party in approximating the cost of a trip of this nature. Special arrangements can be made to great advantage where large parties are concerned.

But for an individual, or two or three let us say, besides the \$125 ocean passage, it will cost each about \$70 for board; \$25 for inter-island steamer fare, including meals and accommodations on the steamers; about \$35 for horse, and say \$15 for extra expenses in and about Honolulu, a total of \$270. This will pay for five weeks of as delightful experience as can be obtained for the money the world over. The route laid down in L. S. communication is a thorough one and just fits the time at the traveler's disposal. Tourists go from Honolulu direct to Hilo, Hawaii, from thence to Kailua, — the living volcano, 30 miles horseback. Thence, 30 miles to Honopu port on the south-eastern coast of the Island, where the steamer Planter leaves for Honolulu, calling at Maalaea Bay, island of Maui, at which point passengers who intend visiting the extinct crater of Haleakala, disembark. The S. S. Planter calls at Cook's Bay, Hawaii, before proceeding to Maui, on which is the spot indicated by a monument

where Captain Cook, the great English navigator, was slain. The site of the monument is situated close to the water's edge, and is always visited by steamer passengers. ample time is afforded by the naval call of the steamer and passengers may visit the historical spot and secure relics without stepping over. Near the bay, however,